

## **907 KAR 1:626. Reimbursement of dental services.**

RELATES TO: KRS 205.520, 42 C.F.R. 440.100, 447.200-205, 42 U.S.C. 1396a-d

STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3)

NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services, Department for Medicaid Services, has the responsibility to administer the Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to comply with any requirement that may be imposed or opportunity presented by federal law to qualify for federal Medicaid funds. This administrative regulation establishes the reimbursement policies and requirements for covered dental services provided to a Medicaid recipient who is not enrolled with a managed care organization.

Section 1. Definitions. (1) "Current Dental Terminology" or "CDT" means a publication by the American Dental Association of codes used to report dental procedures or services.

(2) "Department" means the Department for Medicaid Services or its designee.

(3) "Federal financial participation" is defined in 42 C.F.R. 400.203.

(4) "Incidental" means that a medical procedure:

(a) Is performed at the same time as a primary procedure; and

(b)1. Requires little additional practitioner resources; or

2. Is clinically integral to the performance of the primary procedure.

(5) "Integral" means that a medical procedure represents a component of a more complex procedure performed at the same time.

(6) "Managed care organization" means an entity for which the Department for Medicaid Services has contracted to serve as a managed care organization as defined in 42 C.F.R. 438.2.

(7) "Manually priced" or "MP" means that a procedure is priced according to complexity.

(8) "Medically necessary" or "medical necessity" means that a covered benefit is determined to be needed in accordance with 907 KAR 3:130.

(9) "Mutually exclusive" means that two (2) procedures:

(a) Are not reasonably performed in conjunction with one (1) another during the same patient encounter on the same date of service;

(b) Represent two (2) methods of performing the same procedure;

(c) Represent medically impossible or improbable use of CDT codes; or

(d) Are described in CDT as inappropriate coding of procedure combinations.

(10) "Provider" is defined in KRS 205.8451(7).

(11) "Recipient" is defined in KRS 205.8451(9).

(12) "Timely filing" means receipt of a claim by Medicaid:

(a) Within twelve (12) months of the date the service was provided;

(b) Within twelve (12) months of the date retroactive eligibility was established; or

(c) Within six (6) months of the Medicare adjudication date if the service was billed to Medicare.

(13) "Usual and customary charge" means the uniform amount which the individual dentist charges in the majority of cases for a specific dental procedure or service.

Section 2. General Requirements. For the department to reimburse for a dental service or item, the service or item shall be:

(1) Provided:

(a) To a recipient; and

(b) By a provider who meets the conditions of participation requirements established in 907

KAR 1:026;

- (2) Covered in accordance with 907 KAR 1:026;
- (3) Medically necessary; and
- (4) A service or item authorized within the scope of the provider's licensure.

Section 3. Reimbursement. (1) Except as established in Section 4 or 5 of this administrative regulation, reimbursement for a covered service shall be the lesser of the:

- (a) Dentist's usual and customary charge;
- (b) Reimbursement limits specified in this section;
- (c) Manually-priced amount; or
- (d) Amount established on the DMS Dental Fee Schedule.

(2) If a rate has not been established for a covered dental service, the department shall set an upper limit for the procedure by:

- (a) Averaging the reimbursement rates assigned to the service by three (3) other payer or provider sources; and
- (b) Comparing the calculated average obtained from these three (3) rates to rates of similar procedures paid by the department.

(3) If cost sharing is required, the cost sharing shall be in accordance with 907 KAR 1:604.

(4) For a service covered under Medicare Part B, reimbursement shall be in accordance with 907 KAR 1:006.

(5) A service which is not billed within timely filing requirements shall not be reimbursed.

(6) If performed concurrently, separate reimbursement shall not be made for a procedure that has been determined by the department to be incidental, integral, or mutually exclusive to another procedure.

Section 4. Oral Surgeons. (1) A dental service that is covered by the Kentucky Medicaid Program and provided by an oral surgeon shall be reimbursed in accordance with this administrative regulation unless the given service is:

- (a) Not reimbursed pursuant to this administrative regulation; and
- (b) Reimbursed pursuant to 907 KAR 3:010.

(2) A dental service that is covered by the Kentucky Medicaid Program and provided by an oral surgeon but not reimbursed pursuant to this administrative regulation shall be reimbursed in accordance with 907 KAR 3:010.

Section 5. Supplemental Payments. (1) In addition to a payment made pursuant to Section 3 of this administrative regulation, the department shall make a supplemental payment to a dental school faculty dentist who is employed by a state-supported school of dentistry in Kentucky.

(2) The supplemental payment shall be:

(a) In an amount that, if combined with other payments made in accordance with this administrative regulation, does not exceed the dentist's charge for the service the dentist has provided:

- 1. As a dental school faculty; and
- 2. For which the payment is made directly or indirectly to the dental school;

(b) Based on the funding made available through an intergovernmental transfer of funds for this purpose by a state-supported school of dentistry in Kentucky; and

(c) Made on a quarterly basis.

Section 6. Not Applicable to Managed Care Organizations. A managed care organization

shall not be required to reimburse in accordance with:

- (1) This administrative regulation for a service covered pursuant to:
  - (a) 907 KAR 1:026; and
  - (b) This administrative regulation; or
- (2) 907 KAR 3:010 for a service referenced in Section 5 of this administrative regulation that is reimbursed by the department in accordance with 907 KAR 3:010.

Section 7. Federal Approval and Federal Financial Participation. The department's reimbursement for services pursuant to this administrative regulation shall be contingent upon:

- (1) Federal financial participation for the reimbursement; and
- (2) Centers for Medicare and Medicaid Services' approval of the reimbursement.

Section 8. Appeal Rights. An appeal of a department decision regarding a Medicaid provider based upon an application of this administrative regulation shall be in accordance with 907 KAR 1:671.

Section 9. Incorporation by Reference. (1) "DMS Dental Fee Schedule", December 2015, is incorporated by reference.

- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law:

- (a) At the Department for Medicaid Services, 275 East Main Street, Frankfort, Kentucky, Monday through Friday, 8 a.m. to 4:30 p.m.; or
- (b) Online at the department's Web site located at <http://www.chfs.ky.gov/dms/incorporated.htm>. (21 Ky.R. 217; eff. 9-21-1994; Am. 25 Ky.R. 659; 1383; eff. 11-18-1998; 27 Ky.R. 1102; 1492; eff. 12-21-2000; 28 Ky.R. 962; eff. 12-19-2001; 30 Ky.R. 1645; 1945; eff. 2-16-2004; 33 Ky.R. 613; 1393; 1575; eff. 1-5-2007; 35 Ky.R. 442; eff. 10-31-2008; 42 Ky.R. 155; 1234; 2153; eff. 2-5-2016.)